

**EASTERN ASSOCIATED COAL CORP., PINE RIDGE COAL COMPANY, RIVERS
EDGE MINING, INC. AND MARTINKA COAL COMPANY
SUBSTANCE ABUSE POLICY FOR REPRESENTED EMPLOYEES
(Revised October 1, 2004)**

PURPOSE

Eastern Associated Coal Corp., Pine Ridge Coal Company, Rivers Edge Mining, Inc. and Martinka Coal Company (the "Company") are committed to maintaining a **safe** and productive work environment, free from the adverse effects of drugs and alcohol. **Because of the potentially hazardous nature of the coal mining industry, Employees who come to work after using or while impaired by drugs or alcohol can be a safety hazard as they may make errors that can be life-threatening to themselves as well as to their co-workers.** Consequently, the Company's policy is zero tolerance for the use, consumption, manufacture, possession, sale, distribution, or transfer of alcohol, mind or behavior altering substances, Illegal Controlled Substances, the possession of associated paraphernalia or the misuse of prescription drugs. In order to establish guidelines for providing and maintaining a drug and alcohol free environment, this "Substance Abuse Policy for Represented Employees" (the "revised Policy") has been developed.

The Company encourages any Employee with a drug or alcohol dependency problem to seek professional assistance before the problem leads to an incident requiring disciplinary action. The Company encourages an Employee's voluntary participation in a drug or alcohol rehabilitation program and will provide assistance with the expenses of the program to the extent allowable under the benefit plan for UMWA represented employees. Employees who need assistance in locating such a program prior to an incident requiring disciplinary action should contact the REACH Employee Assistance Program ("EAP") at 1-800-788-7322.

SCOPE

The revised Policy applies to all represented Employees of the Company and panel members who **(a)** have job responsibilities in any mine or work area of a mine and fall under the jurisdiction of Title 36 Series 22 of the administrative regulations for the Board of Coal Mine Health and Safety, and/or **(b)** occupy safety-sensitive positions by virtue of their responsibility for the use or operation of equipment, materials, tools and other items in a mine or mine work area, and/or **(c)** are assigned mine emergency response functions. Additionally, the revised Policy supplements the Department of Transportation ("DOT") policy for DOT covered positions.

DEFINITIONS

Reasonable Cause is a reasonable good faith objective suspicion on the part of management that an Employee has used drugs or alcohol prior to reporting to work or is impaired by drugs or alcohol. Reasonable Cause can be based upon an Employee's performance, appearance or conduct, including but not limited to any of the following:

- a) Odor of alcohol or other intoxicant about the Employee or on the Employee's breath;
- b) Abnormally impaired speech, stumbling, weaving, or other loss of motor coordination;
- c) Unexplained animated signs of intoxication or influence of drugs on the part of the Employee;
- d) Other discernible signs of intoxication or influence of drugs on the part of the Employee;
- e) Possession of alcohol, drugs or associated paraphernalia;
- f) An Employee's apparent lack of judgment, inattentiveness or specific unsafe act that substantially contributes to the cause of an accident.

Illegal Controlled Substances are drugs which are not legally obtainable and drugs which are legally obtainable but have been obtained illegally or are misused.

Instant Test is a urine drug test administered by a trained collector in which drug test results can be obtained within a matter of minutes.

IMPLEMENTATION OF THE REVISED POLICY

The revised Policy will be implemented in accordance with the National Bituminous Coal Wage Agreement of 2002, Article III Section (g) Safety Rules and Regulations. The revised Policy will be implemented on October 1, 2004; however, random testing under the revised Policy will not begin until January 1, 2005 in order to provide time for Employees to become familiar with the revised Policy.

STATEMENT OF POLICY

I. Prohibited Conduct

- 1) Employees are required to report to work in a mental and physical condition that allows them to work safely and productively. Employees are prohibited from working on Company property, operating Company equipment, or coming onto Company property at any time after using or while impaired by drugs or alcohol.
- 2) The use of drugs obtained by prescription in a manner approved by the prescribing physician is not prohibited, as long as the usage will not impair safe and productive job performance or the ability to exercise sound judgment. An Employee undergoing prescribed medical treatment with any drug or controlled

substance that impairs his/her ability to work safely must report this to his/her supervisor immediately.

- 3) The use, consumption, manufacture, possession, sale, distribution, or transfer of alcohol, mind or behavior altering substances, Illegal Controlled Substances, the possession of associated paraphernalia or the misuse of prescription drugs by an Employee while on Company property is strictly prohibited.

II. Drug and Alcohol Testing

Drug and alcohol testing will be required in the following circumstances:

- 1) before a panel member is recalled from layoff after an absence of more than six calendar months; or
- 2) before an Employee returns to work from an absence of more than six calendar months for any reason; or
- 3) when there is Reasonable Cause to believe an Employee is at work after using or while impaired by drugs or alcohol; or
- 4) random testing where permissible by applicable law;
 - a) random drug and alcohol tests will be administered to ten percent of the workforce each year;
 - b) selection of Employees for testing will be administered by an outside vendor;
 - c) no Employee will be randomly tested more than twice in a calendar year; or
- 5) when testing is required under DOT policies.

III. Testing Procedures

- 1) Instant tests will be used to obtain immediate drug test results. Confirmation of all positive instant drug tests will be performed by a laboratory certified by the United States Department of Health and Human Services and its standards shall govern. A split sample will be obtained and placed in two containers (A and B). Sample "A" will be tested. If the results of the test are positive, a second confirmation test will be performed on sample "A". If the results of the second test are positive, this will serve as confirmation of the positive results. Sample "B" (the split) will be available for additional testing if needed.
- 2) An Employee being tested for Reasonable Cause will be suspended from work without pay, pending receipt of the test results. If results are negative, the Employee will be reinstated and reimbursed for lost wages.
- 3) The types of substances tested for may include (but not be limited to):
 - Alcohol
 - Amphetamines

- Barbiturates
 - Benzodiazepines
 - Cannabinoids
 - Cocaine
 - Methadone
 - Opiates
 - Oxycontin
 - Phencyclidines
 - Propoxyphenes
 - Methamphetamines
- 4) Confidentiality of the results will be maintained by the Company except as part of the disciplinary procedure, as required or permitted by law, or when disclosure is otherwise allowed by a release signed by the Employee.
 - 5) Testing positive for masking agents or adulterants will be considered the same as testing positive for drugs or alcohol.

IV. Searches

- 1) An Employee's person and personal property on Company premises shall be searched if there is Reasonable Cause to believe that the revised Policy has been violated and such property may contain prohibited substances or associated paraphernalia. Searches will be conducted according to Title 36 Series 22 of the administrative regulations for the Board of Coal Mine Health and Safety.
- 2) Any evidence of a violation of the revised Policy that is found in a search shall be seized.
- 3) In the event that a substance seized in a search of an Employee or his/her property is believed to be an Illegal Controlled Substance, law enforcement authorities shall be contacted immediately. Arrangements shall be made to transfer the suspected Illegal Controlled Substance to law enforcement authorities as soon as possible. When the suspected Illegal Controlled Substance is transferred to law enforcement authorities, the law enforcement authorities shall be informed that the substance was seized from an Employee and a request that the substance be analyzed shall be made.
- 4) Any evidence obtained by the Company of the use, consumption, manufacture, possession, sale, distribution, or transfer of mind or behavior altering substances, Illegal Controlled Substances or associated paraphernalia shall be turned over to local or state law enforcement agencies for appropriate action.

V. Disciplinary Action

- 1) Employees or panel members who are tested under Section II above and whose drug or alcohol confirmation levels meet or exceed established cut-off levels will be subject to disciplinary action up to and including suspension with intent to discharge. Employees returning to work for reasons other than panel recall

should notify the employer as soon as possible so that appropriate tests may be scheduled.

- 2) An Employee being tested for Reasonable Cause whose drug or alcohol confirmation levels meet or exceed established cut-off levels will be subject to disciplinary action up to and including suspension with intent to discharge.
- 3) Employees being tested under DOT policies whose drug or alcohol confirmation levels meet or exceed established cut-off levels for DOT testing will be subject to disciplinary action up to and including suspension with intent to discharge.
- 4) Violation of the revised Policy in any of the situations outlined below will result in disciplinary action up to and including suspension with intent to discharge:
 - a. the use, consumption, manufacture, possession, sale, distribution, or transfer of alcohol, mind or behavior altering substances, Illegal Controlled Substances, or possession of associated paraphernalia while on Company property; or
 - b. the use of drugs obtained by a prescription in a manner not approved by the prescribing physician; or
 - c. the use of masking agents or adulterants; or
 - d. refusal to take a drug or alcohol test, refusal to consent to a search, refusal to sign an authorization for release of test results to the Company, attempts to delay the testing process; or
 - e. conviction of a drug-related crime, which occurs in the workplace.

#####